



Underpayment of Estimated Tax by Individuals

NAME	Social Security Number
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How to Figure Your Underpayment (See Instructions)

1. 2000 Tax (from form IA 1040, line 55; or form IA 1040A, line 13) 1 _____
2. Out-of-State Tax Credit (from form IA 1040, line 63) 2 _____
3. Iowa Motor Vehicle Fuel Tax Credit (from form IA 1040, line 64)..... 3 _____
4. Child and Dependent Care Credit (from IA 1040 line 65) 4 _____
5. Other Refundable Credits (from form IA 1040 line 66) 5 _____
6. Total. Add lines 2 through 5. 6 _____
7. Balance. Subtract line 6 from line 1. 7 _____
8. Enter 90% of the amount shown on line 7. If less than \$200, see instructions. 8 _____
9. Enter your 1999 tax. 9 _____
(If 1999 Federal AGI exceeds \$150,000 (\$75,000 for a married person filing separately), enter 108.6% of your 1999 Iowa tax)
10. Enter the smaller amount of line 8 or line 9 10 _____

Due Dates of Installments				
	APRIL 30, 2000	JUNE 30, 2000	SEPT. 30, 2000	JAN. 31, 2001
11. Divide the amount on line 10 by the number of installments required for the year. See Instruction B. 11				
12. Annualized income installment. See instructions..... 12				
13. Enter the amount on line 11 or line 12, if applicable..... 13				
14. Estimated tax paid and tax withheld 14				
15. Underpayment (if line 14 is less than line 13, enter the difference) OR Overpayment (if line 14 is greater than line 13, enter the difference) 15				

How to Figure the Penalty: Complete lines 16 through 20.

16. Amount of underpayment from line 15 16				
17. Date of payment. See instructions. 17				
18. (a) Number of days inclusively from due date of installment to date of payment or Dec. 31, 2000, whichever is earlier 18a				
(b) Number of days from Jan. 1, 2001, or due date of installment, whichever is later, to the date of payment or May 1, 2001, whichever is earlier 18b				
19. (a) 10% a year on the amount shown on line 16, for the number of days shown on line 18(a) See instructions. 19a				
(b) 11% a year on the amount shown on line 16, for the number of days shown on line 18(b) See instructions. 19b				
20. Total of lines 19(a) and 19(b) 20				
21. Penalty: Add the four columns of line 20 and enter here and on line 73, form IA 1040 21				

INSTRUCTIONS — IA 2210

A. Purpose of This Form:

If you are an individual taxpayer, other than a qualifying farmer or fisher, you may use this form to determine whether your income tax was sufficiently paid throughout the year by withholding or by estimate payments. If they were not, you may owe a penalty. The estimated tax penalty is 10% per year for the tax period January 1, 2000, through December 31, 2000, and 11% per year for the tax period January 1, 2001, through December 31, 2001. The changes in the estimated tax penalty apply to amounts arising during these periods. This form will help you determine whether you are subject to such a penalty.

B. Filing an Estimate and Paying the Tax, Calendar Year Taxpayers:

If you file returns on a calendar year basis and are required to file form IA 1040ES, you are generally required to pay the tax in four installments with the first installment due by April 30. (If you are not required to file until later in the year because of a change in your income or exemptions, you may be required to pay in fewer installments.) The chart below shows the due date for installments and the maximum number of installments required for each.

Period Requirements First Met	Due Date of Installment	Maximum Number of Installments Required
Between January 1 and April 1	April 30	4
Between April 2 and June 1	June 30	3
Between June 2 and September 1	September 30	2
After September 1	January 31	1

NOTE: If any date shown falls on a Saturday, Sunday or legal holiday, substitute the next regular working day.

LINE-BY-LINE INSTRUCTIONS

Line 8 - If line 8 is \$200 or more, complete lines 9 through 15. If you have an underpayment in any column on line 15, go to the "How to Figure the Penalty" section.

If the total from line 8 is less than \$200, then you are not required to pay estimated tax and therefore cannot have underpaid estimated tax. If the total from line 8 is less than \$200 do not file form IA 2210.

Line 9 - Taxpayers may avoid underpayment penalty if their estimate payments for 2000, made on or before the prescribed dates for payment, are equal to the lesser of: (1) 90 percent of the tax shown on the 2000 return; or (2) 100% of the tax shown on the 1999 return if their 1999 Federal AGI is \$150,000 (\$75,000 for married filing separate Federal returns) or less; or (3) 108.6% of the tax shown on the 1999 return if their 1999 Federal AGI is greater than \$150,000 (\$75,000 for married filing separate Federal returns).

Their 1999 return must have covered a period of 12 months.

Line 12 - Tax on Annualized 2000 Income: If your income varies throughout the tax year, you may be able to reduce or eliminate the amount of one or more of the required installments by using the annualized income installment method. If you use this method, you must check the box on line 73 of the IA 1040. Please see Schedule A1 and instructions.

Line 13 - If you used the annualized income installment method to figure your required payments, enter the amount from line 12. Otherwise, enter the amount from line 11.

Line 14 - You may consider an equal part of the income tax withheld during the year as paid on each required installment date, unless you can establish the dates on which the withholding occurred and consider the tax paid on those dates.

Show the estimate payments in the columns for the periods when those payments were made. If all estimate tax was paid in the first installment or in another installment in the year, that payment should be shown in the appropriate period, and not allocated among all four installment periods.

Line 15 - Overpayment. Any installment overpayment that is greater than all prior underpayments may be taken as a credit against subsequent installments.

Line 17 - Installment Payments: If you made more than one payment for any installment attach a separate computation for each payment.

Line 18 - To Compute Penalty: Use the following formula:

$$\text{Penalty} = \begin{matrix} \text{daily percentage rate} \\ \text{(line 19)} \end{matrix} \times \begin{matrix} \text{number of days} \\ \text{(line 18)} \end{matrix} \times \begin{matrix} \text{underpayment} \\ \text{(line 16)} \end{matrix}$$

The daily percentage rate is:

$$\begin{aligned} 10\% \text{ per annum} &= 0.02740\% \text{ per day (1/1/00 - 12/31/00)} \\ 11\% \text{ per annum} &= 0.03014\% \text{ per day (1/1/01 - 12/31/01)} \end{aligned}$$

Waiver of Penalty: The underpayment of estimate tax penalty may be waived if the underpayment was due to casualty, disaster, or other unusual circumstances. The penalty may also be waived if the taxpayer retired at age 62 or later or became disabled in the tax year for which the estimate payments were required.

Farmers and Fishers: If (1) your gross income from farming or fishing is at least two-thirds of your annual gross income and (2) you filed IA 1040 and paid the tax on or before March 1, 2001, you may be exempt from penalties for underpayment of estimated tax. If so, write on line 1, "Exempt, farmer/fisher," and do not complete the rest of this form.

If you meet this gross income test but did not file a return or pay the tax when due, use form IA 2210F, instead of this form, to determine whether you owe a penalty.